



# Recovery Act Opportunities For Small Businesses

**Herb K. Schultz**

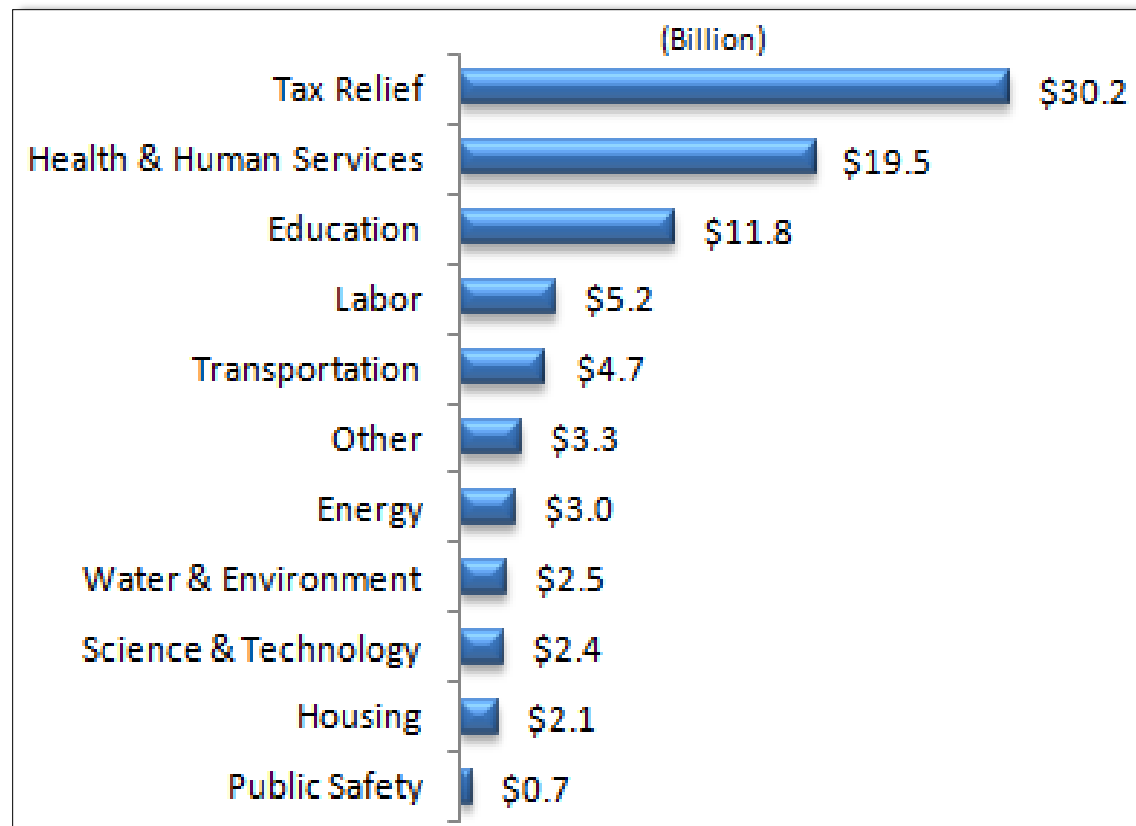
**Director, California Recovery Task Force**

Town Hall on the Recovery Act as it Relates to  
Southern California Small Business

Friday, February 26, 2010

# Recovery Funds for California

- **Estimated \$85 billion to benefit California**
  - **\$30 billion** in Tax Relief
  - **\$55 billion** in Programs and Projects



# Governor's Recovery Task Force

- In March 2009, Governor Schwarzenegger established the California Recovery Task Force to coordinate state stimulus efforts.

**[www.recovery.ca.gov](http://www.recovery.ca.gov)**

- Includes members from these agencies:  
Health & Human Services, CalTrans, Housing & Community Development, Resources, Cal- EPA, Office of Secretary of Education, Workforce and Development and the State CIO.

# All New: SB and DVBE Recovery Page

<http://www.recovery.ca.gov/HTML/HowDoI/smallbusiness.shtml>

**RECOVERY.**   
CALIFORNIA ECONOMIC RECOVERY PORTAL

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## Small Business and DVBE Recovery Resources



California's small businesses are the engine of the state. The Recovery Act has helped to stimulate the state's economy, but it is California's small businesses and entrepreneurs that are the true engine of prosperity and sustained growth. This web page provides the resources and information necessary for small business owners to expand their businesses. The expansion of our small business sector is a key goal of the Recovery Act, and we can work towards continued prosperity and economic growth. We welcome your feedback and suggestions on how our business tools serve you better.

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**2010 STATEWIDE ARRA SMALL BUSINESS & OUTREACH SCHEDULE**

02/03/2010	<a href="#">Stimulus Opportunities for Small Business, Compton, CA</a>
02/04/2010	<a href="#">Stimulus Opportunities for Small Business, Riverside, CA</a>
03/10/2010	Stimulus Opportunities for Small Business, Monterey, CA
03/11/2010	Stimulus Opportunities for Small Business, Richmond, CA
04/06/2010	Stimulus Opportunities for Small Business, Irvine, CA

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## How Recovery Projects Work

The Federal Stimulus program beefs up some existing federal government programs significantly. Most of the new one-time money must be spent by the end of 2010.

Discovering "where the money is" requires knowing where it's been historically. Most of the funding is coming through big federal agencies such as Departments of Defense, Homeland Security, Labor, etc.

There are three layers of government with stimulus dollars to spend. The first level is the federal government and it filters down from there. The second level is with state agencies where federal dollars have been granted or contracted to a state agency and direct contracting opportunities may be available. The last level is with local agencies where federal or state departments partner with local government(s) to achieve their goals.

The first challenge is finding agencies with the money to solicit bids to fulfill the mandates of the Recovery Act.

## Things To Consider

**In order to win a Recovery Act contract, consider all of the following:**

You will likely require bonding. The SBA offers a bond guarantee program. For assistance, contact your district SBA office. You may require additional financing. Your district SBA office can help. A list of district SBA offices can be found here: <http://www.sba.gov/localresources/district/ca/>

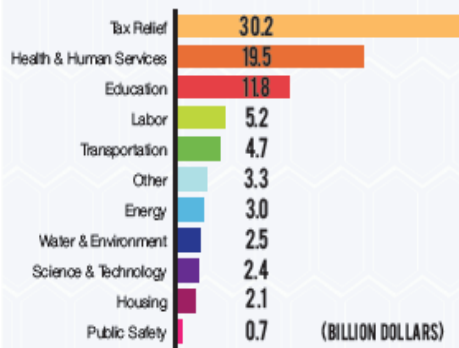
You may consider teaming with companies that have won previous contracts or that have greater capacity. Your local Small Business Development Center (SBDC) may be able to help you locate partners to team with and increase your chances for success. A list of SBDC offices can be found here: <http://www.calbusiness.ca.gov/cedpgybsbdc.asp>

**A significant amount of opportunities may come from sub-contracting:**

Sub-contracting occurs when a company wins a recovery contract and then sub-contracts out certain portions of the project to other businesses. SBs and DVBs can find sub-contracting opportunities and also place ads, products, and services to potential prime contractors on the state's Contract Registry. This no fee service can be found at: [www.eprocure.dgs.ca.gov/csrads](http://www.eprocure.dgs.ca.gov/csrads)

## Facts About The Recovery Effort

### \$85 BILLION IN BENEFITS TO CALIFORNIA (EST.)



**Who receives American Reinvestment and Recovery (ARRA) funds? State and federal government distributes ARRA funds:**

- To individuals and business through tax relief;
- To businesses through contracting and sub-contracting opportunities;
- To community-based and non-profit organizations to support community programs;
- To local governments for priorities such as public housing repairs, economic development, and green retrofitting;
- To state government for various programs including energy and education initiatives.

**California has been awarded the most funding of any state under the American Reinvestment and Recovery Act.**

## Additional Resources

### Small Business Development Centers (SBDC)

California's regional SBDC programs are a collaboration between the United States SBA and the state's community colleges. The programs leverage local, state, and federal dollars to strengthen SBs and DVBs, and thus, positively impact the state's economy.

The SBDCs facilitate the success of SBs and DVBs through business management counseling and training, resulting in the creation and retention of more jobs, increases in sales and profits, new business starts and more. And it's all free.

Find an SBDC office in your area:

<http://www.calbusiness.ca.gov/cedpgybsbdc.asp>

### Small Business Administration (SBA) Regional Offices

The Small Business Administration has six district offices in California offering a variety of resources to small businesses and DVBs. A list of district SBA offices can be found here:

<http://www.sba.gov/localresources/district/ca/>

## Contacts

### Department of General Services

Office of Small Business and DVB Services  
[advocate@dgs.ca.gov](mailto:advocate@dgs.ca.gov)

### Office of the Small Business Advocate

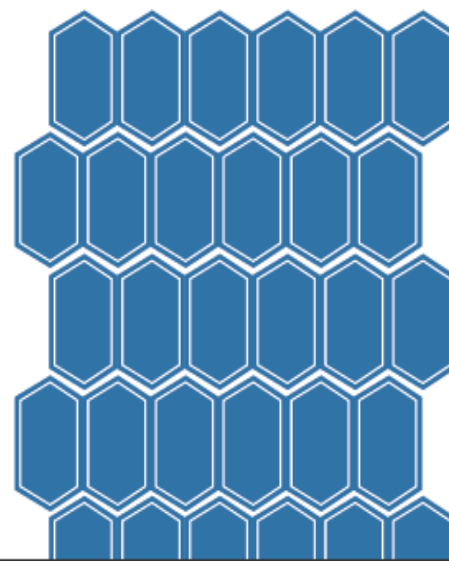
Director, Marty Keller  
[SBrecoveryinfo@opr.ca.gov](mailto:SBrecoveryinfo@opr.ca.gov)

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# California Small Business

## Road to Recovery

How Small Businesses and Disabled Veteran Business Enterprises in California Can Identify & Compete for American Reinvestment and Recovery Act Funded Projects



# Finding and Competing for Recovery Projects

## *Get Certified*

- **State Certification**

- Get certified as a small business with the State Department of General Services (DGS) for **free** at:  
<http://www.pd.dgs.ca.gov/smbus/getcertified.htm>

- **Federal Certification**

- Register in the federal government's Central Contractor Registration (CCR) database for free at:  
<https://www.bpn.gov/ccr/default.aspx>

- **Municipal and Local Certification**

- Contact jurisdictions' procurement or purchasing divisions directly or Small Business Development Center: <http://californiasbdc.org>

# Finding and Competing for Recovery Projects

## *Locate Projects*

Online databases can help you locate potential contracts and you should **use all of them** for the most comprehensive results:

- State Resource: [recovery.ca.gov](http://recovery.ca.gov) / [eProcure.dgs.ca.gov](http://eProcure.dgs.ca.gov)
- Federal Resource: [FedBizOpps.gov](http://FedBizOpps.gov) / Contract Data Base <https://www.fbo.gov/?s=main&mode=list&tab=list>
- Private Sector Resources: [Recovery.org](http://Recovery.org)



# Finding and Competing for Recovery Projects

## *Compete Successfully*

- **Talk to the People Who Know**

- State agencies' Office of Small Business Advocate:
  - <http://www.pd.dgs.ca.gov/smbus/advocate.htm>
- Small Business Development Centers: <http://californiasbdc.org>
- Small Business Administration district office:
  - <http://www.sba.gov/localresources/district/ca/>
- Local procurement or purchasing departments

- **You May Require Bonding**

- The SBA offers a bond guarantee program and can help with additional financing

- **Team Up and Partner**

- **Consider Subcontracting**

- Find opportunities and place ads on state's Contract Registry at: [www.eprocure.dgs.ca.gov/cscrads](http://www.eprocure.dgs.ca.gov/cscrads)



# *Opportunities*

## **State Recovery Act Programs**

- **Weatherization Assistance**
- **Employment Service/Wagner-Peyser Funding**  
<http://servicelocator.org/>
- **California Energy Commission**
  - [Clean Energy Business Financing Program](#)
  - [Energy Efficient Appliance Rebate Program](#)
- **Leaking Underground Storage Tank Trust Fund**
- **Sub-Contracting with Departments**

# *Opportunities*

## *Recovery Zone Bonds*

- What is a Recovery Zone?
- Potential sub-contracting opportunities with local governments/municipalities
- Contact local Economic Development Corporation for more information:
  - <http://www.ecodevdirectory.com/california.htm>

# **Tax Incentives**

- **Extension of Bonus Depreciation**
- **Extension of Enhanced Small Business Expensing**
- **Incentives to Hire Unemployed Veterans and Disconnected Youth**
- **Small Business Capital Gains**

# *Opportunities*

## *SBA Loans*

- The Recovery Act subsidized many of the Small Business Administration (SBA) loan programs to make it easier for small businesses to access capital
  - 7(a) Loan Guarantees Increased and Borrower Fees Eliminated for 7(a) and 504 loans
  - Expiration Looming for **February 28**
- SBA Recovery Loan Queue: <http://www.sba.gov/recoveryq/>
- ARC Loan Opportunities: <http://www.sba.gov/recovery/arcloanprogram/>

# What's Next?: Federal Jobs Bill(s)

- **Senate Jobs Bill**
  - **Includes**: Payroll Tax Exemptions & Tax Write-Off Provisions
  - **Excludes**: Extensions of Small Business Lending Provisions
- **House Options: Pass or Amend with House bill**
  - **Included**: Extending SBA loan provisions and TARP reallocation
- **Second Senate Jobs Bill?**

# There Are Recovery Opportunities Available!

For Questions and Info:  
**[www.recovery.ca.gov](http://www.recovery.ca.gov)**  
**(916) 445-1546**